

KOREA EXCHANGE BANK
NEW YORK BRANCH
460 Park Ave. 14th, New York, N.Y.10022 U.S.A.

TEL : 212-638-4949
 FAX : 212-752-8551,3856
 SWIFT : KOEXUS33
 TELEX : 668184

Advising Dept/Branch : Korea Exchange Bank New York

Date of Advice : 03/09/04

Applicant DEFENSE PROCUREMENT AGENCY, MINISTRY OF NATIONAL DEFENSE, REPUBLIC OF KOREA	Advice of DOCUMENTARY CREDIT	
	Advice No. (Please quote this No. in communication with us) 5623ADV030911239	
Beneficiary US MATERIAL SUPPLY INC., 141 SHREVE AVE. BARRINGTON NJ 08003, U.S.A	Credit No.	M0601309GS90058
	Amount	USD 338,162.40
Issuing Bank KEB HO Business Div.		

To Whom It May Concern,

AT THE REQUEST OF THE ISSUING BANK, WE ARE PLEASED TO ENCLOSE:

(X) THE AUTHENTICATED LETTER OF CREDIT.
 () THE AMENDMENT NO.1
 -THIS LETTER IS SOLELY AN ADVICE OF A LETTER OF CREDIT ISSUED BY THE ABOVE MENTIONED CORRESPONDS AND CONVEYS NO ENGAGEMENT BY US.
 -ALL BANKING COMMISSION & CHARGES OUTSIDE KOREA ARE FOR YOUR ACCOUNT.
 -IF YOU ARE UNABLE TO COMPLY WITH THOSE TERMS IN THE L/C, PLEASE CONTACT THE OPENER(S) DIRECTLY AND ARRANGE FOR ANY AMENDMENT.
 -IN THE EVENT OF PRESENTING YOUR DOCUMENTS TO US, PLEASE ENCLOSE AN EXTRA COPY OF THE COMMERCIAL INVOICE AND ONE NON-NEGOTIABLE COPY OF BILL OF LADING FOR OUR FILES. PLEASE ALSO SUBMIT ORIGONAL LETTER OF CREDIT FOR NEGOTIATION/PAYMENT.
 -IF YOU DECIDE TO COLLECT THE PROCEEDS THROUGH OUR BANK, WE WILL DEDUCT THE PROCEEDS AT THE TIME OF PAYMENT. OUR CURRENT COMMISSIONS AND CHARGES ARE AS FOLLOWS :

- 1) Payment Commission : One-tenth of one percent (minimum : US\$80.00)
- 2) Discrepancy fee : US\$60.00
- 3) Wire transfer fee : US\$20.00
- 4) Check issuance fee: US\$30.00
- 5) Other applicable charges / commission : Various

-THIS ENCLOSED LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDIT (1993 REV) ICC 500.

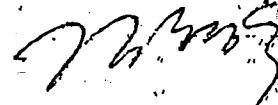
-UPON THE RECEIPT OF THIS ADVICE LETTER, PLEASE SEND US A CHECK OR REMIT OUR
 (X) L/C ADVISING COMMISSION : US\$80.00
 () AMENDMENT ADVISING COMMISSION : US\$70.00

PAYABLE TO KOREA EXCHANGE BANK NEW YORK BRANCH WHITIN 5 BISSNESS DAYS.

*PLEASE FEEL FREE TO CALL (212)638-4949 EXT.225 OR 230 FOR PAYMENT AND EXT.218 FOR ADVISING, SHOULD YOU HAVE ANY INQUIRIES.

VERY TRULY YOURS,

ORIGINAL



JUL-12-2005 15:03

KEB NY FINANCIAL CORP

P.12

KOREA EXCHANGE BANK
NEW YORK BRANCH
460 Park Ave. 14th, New York, N.Y. 10022 U.S.A.

TEL : 212-838-4949
 FAX : 212-752-8551, 3856
 SWIFT : KOEXUS33
 TELEX : 668184

Advising Dept/Branch : Korea Exchange Bank New York

Date of Advice : 03-10-01

Applicant	Advice of AMEND TO DOCUMENTARY CREDIT	
DEFENSE PROCUREMENT AGENCY MINISTRY OF NATIONAL DEFENSE REPUBLIC OF KOREA	Advice No. (Please quote this No. in communication with us.) 5623ADV030911239	
Beneficiary	Credit No.	M0601309GS90058
US MATERIAL SUPPLY INC	Amount	USD 338,162.40
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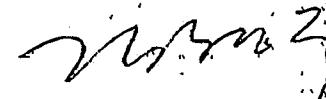
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L/C ADVISING COMMISSION : US\$80.00
 AMENDMENT ADVISING COMMISSION : US\$70.00

PAYABLE TO KOREA EXCHANGE BANK NEW YORK BRANCH WITHIN 5 BUSINESS DAYS.

*PLEASE FEEL FREE TO CALL (212)838-4949 EXT.225 OR 230 FOR PAYMENT AND EXT.218 FOR ADVISING, SHOULD YOU HAVE ANY INQUIRIES.

VERY TRULY YOURS,



ORIGINAL

JUL-12-2005 15:03

KEB NY FINANCIAL CORP

P.15

PRINT CLASS : RECEIVE

IRN : 247000447

HASH : 1111

PAGE : 1

DSN : 258781

IN/OUT SERVICE : SWF/OBS

DEPT : CBL

SENDER'S ADDRESS : KOEXKRSE

KOREA EXCHANGE BANK
CPO BOX 2924 (100)
SEOUL, KOREA

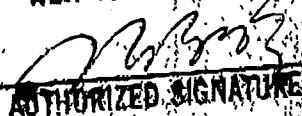
RTG: 10.

5623ADV 030711238

RECEIVE HEADER

1:F01KOEXUS33AXXX7123258781}
2:07001432030904KOEXKRSEAXXX71426566070309040132N}
3:{108:0904700057400}}

ORIGINAL

KOREA EXCHANGE BANK
NEW YORK BRANCH
AUTHORIZED SIGNATURE

4T700 ISSUE OF DOCUMENTARY CREDIT

27 SEQUENCE OF TOTAL

SEQUENCE

1/1

40A FORM OF DC

IRREVOCABLE

20 DC NO

M0601309GS90058

31C DATE OF ISSUE

03SEP03

31D EXPIRY DATE AND PLACE

03SEP05

DATE OF EXPIRY

IN U.S.A.

PLACE OF EXPIRY

DEFENSE PROCUREMENT AGENCY
MINISTRY OF NATIONAL DEFENSE
REPUBLIC OF KOREA

50 APPLICANT

US MATERIAL SUPPLY INC.

141 SHREVE AVE. BARRINGTON NJ 08003
U.S.A

32B DC AMT

CCY/AMT

USD338,162.40

41D AVAILABLE WITH/BY

AVAILABLE WITH

ANY BANK

BY

BY PAYMENT

42C DRAFTS AT

SIGHT

42D DRAWEE

KOREA EXCHANGE BANK BUSINESS D.

FULL N/A

IVISION

43P PARTIAL SHIPMENTS

ALLOWED

43T TRANSHIPMENT

NOT ALLOWED

44A LOADING/DISPATCH AT/FROM

KOREA EXCHANGE BANK BUSINESS D.

NEW YORK SEAPORT, U.S.A

44B FOR TRANSPORTATION TO

BUSAN PORT, KOREA

44C LATEST DATE OF SHIPMENT

03JUN05

45A GOODS

+ITEM NO. COMMODITY DESCRIPTION Q'TY

UNIT
PRICETOTAL
AMOUNT

USD338,162.40

17L/I S/P FOR FIRING EQUIPMENT
AND OTHERS

(FCA) NEW YORK SEAPORT, U.S.A

USD338,162.40

+PRICE TERM:FCA

46A DOCUMENTS REQUIRED

+DRAFT(S)

PRINT CLASS REC
DEPT CBL

DSN : 258781

IN/OUT SERVICE : SWF/OBS

+THREE ORIGINAL AND TWO DULY COPIES OF BILL OF LADING
CONSIGNMENT TO "THE DEFENSE TRANSPORTATION CMD, REPUBLIC OF
KOREA" AND MARKED "FREIGHT COLLECT" AND NOTIFY TO
"ACCOUNTEE", WHICH ARE ISSUED BY CARRIER STIPULATED
IN THIS LETTER OF CREDIT.

+ONE ORIGINAL AND FOUR DULY SIGNED COPIES OF A COMMERCIAL INVOICE
+ONE ORIGINAL AND FOUR DULY SIGNED COPIES OF THE DETAILED
PACKING LIST

17A ADDITIONAL CONDITIONS

+NUMBER OF THE CONTRACT

ALL DOCUMENTS PRESENTED UNDER THIS CREDIT MUST BEAR AND
CONTAIN THE CONTRACT NO. KFX-DPA-31BD16307 AND CREDIT NO.

+PERFORMANCE BOND

(A) THE PERFORMANCE BOND SHALL BE ISSUED IN FAVOR OF THE
APPLICANT IN THE FORM OF STAND-BY LETTER OF CREDIT, CASH AND
SURETY BOND WHICH INCLUDES THE WORDINGS OF ANNEX NO.3
STIPULATED IN THE CONTRACT NO. KFX-DPA-31BD16307, TO BE ADVISED
THROUGH KOREA EXCHANGE BANK, SEOUL, KOREA WITHIN THIRTY (30)
DAYS AFTER THE EFFECTIVE DATE OF THIS CONTRACT.

(B) IN CASE OF THE STAND-BY L/C, THE PERFORMANCE BOND SHALL BE
ISSUED SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR
DOCUMENTARY CREDITS (1993 REVISION THE INTERNATIONAL CHAMBER OF
COMMERCE, PUBLICATION NO.500) AND THE PERFORMANCE BOND
SHOULD BE ISSUED BY A BANK RATED AS OF HIGH FINANCIAL STRENGTH
GRADE BY INTERNATIONAL CREDIT RATING AGENCIES, SUCH AS MOODY'S
S AND P AND FITCH IBCA.

(C) THE AMOUNT STATED IN THE PERFORMANCE BOND SHALL BE EXPRESSED
IN THE SAME CURRENCY AS IN THIS CREDIT AND SHALL BE EQUAL TO
TEN (10) PERCENT (USD33,816.24) OF THE TOTAL AMOUNT OF THIS
CREDIT

(D) THE PERFORMANCE BOND SHALL CONTINUE TO BE IN FULL EFFECT AND
FORCE UNTIL THE EXPIRATION OF TWELVE (12) MONTHS AFTER THE
LATEST DATE OF DELIVERY STIPULATED IN THIS CREDIT. THE
PERFORMANCE BOND SHALL NOT BE AMENDED, MODIFIED OR CANCELLED
WITHOUT PRIOR CONSENT BY THE APPLICANT

+DEDUCTION OF LIQUIDATED DAMAGES FOR DELAYED SHIPMENT

(A) WHEN THE BENEFICIARY FAILS TO EFFECT DELIVERY WITHIN THE
PERIOD OF TIME STIPULATED IN THIS CREDIT, LIQUIDATED
DAMAGES SHALL BE LEVIED AT THE RATE OF FIFTEEN (15) HUNDREDTH OF
ONE PERCENT (0.15PCT) OF THE INVOICE AMOUNT OF THE DELAYED
DELIVERY PER DAY.

THE AMOUNT OF THE LIQUIDATED DAMAGES SHALL BE DEDUCTED FROM THE
MONEY PAYABLE BY THE APPLICANT

(B) THE TOTAL AMOUNT OF THE LIQUIDATED DAMAGES SHALL NOT EXCEED
TEN PERCENT (10.00 PCT) OF THE CONTRACT AMOUNT

+SHIPPING NOTICES

THE BENEFICIARY SHALL NOTIFY TLX OR FAX TO THE APPLICANT OF THE
READINESS FOR SHIPMENT OF THE COMMODITY, SUCH NOTIFICATION OF
THE READINESS FOR SHIPMENT SHALL BE MADE AT LEAST THIRTY (30) DAYS
PRIOR TO THE ANTICIPATED SHIPPING DATE INCLUDING
PERTINENT INFORMATION SUCH AS CONTRACT NO. BRIEF
DESCRIPTION OF THE COMMODITY TO BE DELIVERED, INVOICE AMOUNT,
AND L/C NO., ETC.

+PARTIAL SHIPMENTS

JUL-12-2005 15:04

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P.17

RINT CLASS : RECEIVE
SN : 258781IRN : 247000447 HASH : 1111
IN/OUT SERVICE : SWF/OBSPAGE 2
DEPT CBL

PARTIAL SHIPMENTS ALLOWED 3TIMES
+CARRIER NOMINATED BY THE APPLICANT
FOR COMMODITIES SHIPED FROM NEW YORK PORT, U.S.A.
NAME: WORLD EXPRESS INC. (NEW YORK OFFICE)
ADDR: 145-18 156TH ST. JAMAICA NY.11434 New York.

ATTN: MR. DANNY CHOI
TEL: (1) 718-341-2366 / FAX (1) 718-341-2388

+PAYMENT

PAYMENT SHALL BE MADE AFTER APPLICANT'S RECEIVING THE CERTIFICATE OF RECEIPT ISSUED BY END-USER, STIPULATED IN THE ANNEX NO.4 OF CONTRACT NO. KFX-DPA-31BD16307

+DELIVERY OF THE COMMODITY

P.R NO.	ITEM NO.	BUDGET STOCK NO.	QNTY (EA)	UNIT PRICE (USD)	DELIVERY SCHEDULE
	12				WITHIN 6MONTHS OPENING OF L/C
	16				WITHIN 9MONTHS OPENING OF L/C
	1A				WITHIN 21MONTHS OPENING OF L/C

+BANKING CHARGES

ALL BANKING CHARGES INCLUDING POSTAGES OR OTHER EXPENSES INCURRED OUTSIDE KOREA SHALL BE FOR ACCOUNT OF THE BENEFICIARY

+ALL OTHER DETAILS ARE AS PER THE CONTRACT NO.:KFX-DPA-31BD16307

+BANK INSTRUCTIONS

ADVISING CHARGES (USD100.00) OF STAND-BY LETTER OF CREDIT WHICH IS ADVISED THROUGH KOREA EXCHANGE BANK, SEOUL, KOREA ARE FOR BENEFICIARY'S ACCOUNT

+DOCUMENTS PRESENTED LATER THAN 21 DAYS AFTER THE DATE OF SHIPMENT ARE ACCEPTABLE, BUT WITHIN THE VALIDITY OF THE CREDIT
+NEGOTIATION/PAYMENT UNDER RESERVE OR AGAINST AN INDEMNITY PROHIBITED. IN THAT CASE, NEGOTIATION SHOULD BE PROCESSED UNDER OUR APPROVAL. A DISCREPANCY FEE OF USD60.00 OR EQUIVALENT THEREOF IS PAYABLE BY THE BENEFICIARY FOR EACH DRAWING PRESENTED WHICH DOES NOT STRICTLY COMPLY WITH THE TERMS OF THIS LETTER OF CREDIT AND WHICH HAS TO BE REFERRED TO THE APPLICANT.

+UPON RECEIPT OF DOCUMENTS IN CONFORMITY WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, WE WILL REMIT THE PROCEEDS TO THE BANK DESIGNATED BY YOURSELVES.

49 CONFIRMATION INSTRUCTIONS THE RECEIVER IS NOT REQUESTIED TO CONFIRM THE CREDIT.

78 INFO TO PRESENTING BK
ALL DOCUMENTS MUST BE FORWARDED TO KOREA EXCHANGE BANK BUSINESS DIVISION/ 181, ULCHIRO 2-KA, CHUNG-KU, SEOUL 100-793, REPUBLIC OF KOREA IN ONE LOT BY REGISTERED AIRMAIL/COURIER SERVICE.

72 BK TO BK INFO

+UNLESS OTHERWISE EXPRESSLY STATED, THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDIT, 1993 REVISION, ICC PUBLICATION NO. 500

JUL-12-2005 15:04

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PRINT CLASS : RECEIVE
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IRN : 247000447 HASH : 1111
IN/OUT SERVICE : SWF/OBS

PAGE : 4
DEPT : CBL

RAILER
5:
MAC:C9D029B0}
CHK:5D9BCC253020}}

*** WARNING *** SWIFT AUTHENTICATOR CORRECT



PRINT NUMBER : CBLRCVQ98106
END OF MESSAGE

PRINT AT : 08:59 04SEP03